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6 Attorneys for Complainant

7  
8 **BEFORE THE**  
**CALIFORNIA BOARD OF ACCOUNTANCY**  
9 **DEPARTMENT OF CONSUMER AFFAIRS**  
**STATE OF CALIFORNIA**

10 In the Matter of the Accusation Against:

11 RICHARD RALPH PEJSA  
12 5305 Linda Vista Drive  
13 La Canada, CA 91011

14 Certified Public Accountant  
Certificate No. CPA 18795

15 Respondent.

Case No. AC-2004-14

OAH No. L-2004050077

**STIPULATED SETTLEMENT AND  
DISCIPLINARY ORDER**

16  
17 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the  
18 above-entitled proceedings that the following matters are true:

19 PARTIES

20 1. Carol Sigmann (Complainant) is the Executive Officer of the California  
21 Board of Accountancy. She brought this action solely in her official capacity and is represented  
22 in this matter by Bill Lockyer, Attorney General of the State of California, by  
23 Marc D. Greenbaum, Deputy Attorney General.

24 2. Respondent RICHARD RALPH PEJSA (Respondent) is represented in  
25 this proceeding by attorney Michael E. Wine, whose address is 3218 E. Holt, Suite 100  
26 West Covina, CA 91791.

27 3. On or about April 27, 1973, the California Board of Accountancy issued  
28 Certified Public Accountant Certificate No. CPA 18795 to RICHARD RALPH PEJSA

1 (Respondent). The certificate was in full force and effect at all times relevant to the charges  
2 brought in Accusation No. AC-2004-14 and will expire on December 1, 2005, unless renewed.

3 JURISDICTION

4 4. Accusation No. AC-2004-14 was filed before the California Board of  
5 Accountancy (Board), and is currently pending against Respondent. The Accusation and all  
6 other statutorily required documents were properly served on Respondent on April 13, 2004.  
7 Respondent timely filed his Notice of Defense contesting the Accusation. A copy of Accusation  
8 No. AC-2004-14 is attached as exhibit A and incorporated herein by reference.

9 ADVISEMENT AND WAIVERS

10 5. Respondent has carefully read, fully discussed with counsel, and  
11 understands the charges and allegations in Accusation No. AC-2004-14. Respondent has also  
12 carefully read, fully discussed with counsel, and understands the effects of this Stipulated  
13 Settlement and Disciplinary Order.

14 6. Respondent is fully aware of his legal rights in this matter, including the  
15 right to a hearing on the charges and allegations in the Accusation; the right to be represented by  
16 counsel at his own expense; the right to confront and cross-examine the witnesses against him;  
17 the right to present evidence and to testify on his own behalf; the right to the issuance of  
18 subpoenas to compel the attendance of witnesses and the production of documents; the right to  
19 reconsideration and court review of an adverse decision; and all other rights accorded by the  
20 California Administrative Procedure Act and other applicable laws.

21 7. Respondent voluntarily, knowingly, and intelligently waives and gives up  
22 each and every right set forth above.

23 CULPABILITY

24 8. Respondent admits the truth of each and every charge and allegation in  
25 Accusation No. AC-2004-14.

26 9. Respondent agrees that his Certified Public Accountant Certificate is  
27 subject to discipline and he agrees to be bound by the Board's imposition of discipline as set  
28 forth in the Disciplinary Order below.

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1 representatives, provided such notification is accomplished in a timely manner.

2           4.     **Comply With Probation.** Respondent shall fully comply with the terms  
3 and conditions of the probation imposed by the Board and shall cooperate fully with  
4 representatives of the Board of Accountancy in its monitoring and investigation of the  
5 Respondent's compliance with probation terms and conditions.

6           5.     **Practice Investigation.** Respondent shall be subject to, and shall permit,  
7 practice investigation of the Respondent's professional practice. Such a practice investigation  
8 shall be conducted by representatives of the Board, provided notification of such review is  
9 accomplished in a timely manner.

10           6.     **Comply With Citations.** Respondent shall comply with all final orders  
11 resulting from citations issued by the Board of Accountancy.

12           7.     **Tolling of Probation For Out-of-State Residence/Practice.** In the event  
13 Respondent should leave California to reside or practice outside this state, Respondent must  
14 notify the Board in writing of the dates of departure and return. Periods of non-California  
15 residency or practice outside the state shall not apply to reduction of the probationary period, or  
16 of any suspension. No obligation imposed herein, including requirements to file written reports,  
17 reimburse the Board costs, or make restitution to consumers, shall be suspended or otherwise  
18 affected by such periods of out-of-state residency or practice except at the written direction of the  
19 Board.

20           8.     **Violation of Probation.** If Respondent violates probation in any respect,  
21 the Board, after giving Respondent notice and an opportunity to be heard, may revoke probation  
22 and carry out the disciplinary order that was stayed. If an accusation or a petition to revoke  
23 probation is filed against Respondent during probation, the Board shall have continuing  
24 jurisdiction until the matter is final, and the period of probation shall be extended until the matter  
25 is final.

26           9.     **Completion of Probation.** Upon successful completion of probation,  
27 Respondent's certificate will be fully restored.

28           10.    **Ethics Course/Examination.** Respondent shall take and pass with a score

1 of 90 percent or better an 8-hour Board approved ethics examination within 180 days from the  
2 effective date of this decision.

3           If Respondent fails to pass said examination within the time period provided or  
4 within two attempts, Respondent shall so notify the Board and shall cease practice until  
5 Respondent takes and successfully passes said exam, has submitted proof of same to the Board,  
6 and has been notified by the Board that he may resume practice. Failure to pass the required  
7 examination no later than 100 days prior to the termination of probation shall constitute a  
8 violation of probation.

9           Notwithstanding any other provision of this probation, failure to take and pass this  
10 examination within five years of the effective date of this order constitutes a separate cause for  
11 discipline of Respondent's license.

12           11.     **Cost Reimbursement.** Respondent shall reimburse the Board \$2,694.59  
13 for its investigation and prosecution costs. The payment shall be made within 180 days of the  
14 date the Board's decision is final.

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1 ACCEPTANCE

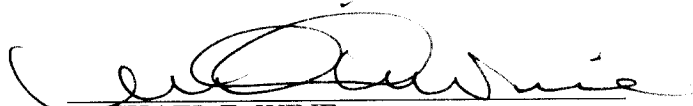
2 I have carefully read the above Stipulated Settlement and Disciplinary Order and  
3 have fully discussed it with my attorney, Michael E. Wine. I understand the stipulation and the  
4 effect it will have on my Certified Public Accountant Certificate No. CPA 18795 . I enter into  
5 this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and  
6 agree to be bound by the Decision and Order of the Board.

7 DATED: August 12, 2004

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9 RICHARD RALPH PEJSA  
10 Respondent

11 I have read and fully discussed with Respondent Richard Pejsa the terms and  
12 conditions and other matters contained in the above Stipulated Settlement and Disciplinary  
13 Order. I approve its form and content.

14 DATED: 8/17/04


15   
16 MICHAEL E. WINE  
17 Attorney for Respondent

18 ENDORSEMENT

19 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully  
20 submitted for consideration by the California Board Of Accountancy.

21 DATED: 8/24/04

22 BILL LOCKYER, Attorney General  
23 of the State of California

24   
25 MARC D. GREENBAUM  
26 Deputy Attorney General

27 Attorneys for Complainant

**Exhibit A**  
**Accusation No. AC-2004-14**

BILL LOCKYER, Attorney General  
of the State of California  
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Attorneys for Complainant

**BEFORE THE  
CALIFORNIA BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

Case No. AC-2004-14

RICHARD RALPH PEJSA  
5305 Linda Vista Drive  
La Canada, CA 91011

**ACCUSATION**

Certified Public Accountant  
Certificate No. CPA 18795

Respondent.

Complainant alleges:

**PARTIES**

1. Carol Sigmann (Complainant) brings this Accusation solely in her official capacity as the Executive Officer of the California Board of Accountancy (Board), Department of Consumer Affairs.

2. On or about April 27, 1973, the California Board of Accountancy issued Certified Public Accountant Certificate No. CPA 18795 to Richard Ralph Pejsa (Respondent). The certificate was in full force and effect at all times relevant to the charges brought herein and will expire on December 1, 2005, unless renewed.

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JURISDICTION

3. This Accusation is brought before the Board, Department of Consumer Affairs, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise indicated.

4. Section 5100 states:

"After notice and hearing the board may revoke, suspend, or refuse to renew any permit or certificate granted under Article 4 (commencing with Section 5070) and Article 5 (commencing with Section 5080), or may censure the holder of that permit or certificate for unprofessional conduct that includes, but is not limited to, one or any combinations of the following causes:

"(a) Conviction of any crime substantially related to the qualifications, functions and duties of a certified public accountant or a public accountant.

....

"(k) Embezzlement, theft, misappropriation of funds or property, or obtaining money, property, or other valuable consideration by fraudulent means or false pretenses.

5. Section 5109 states:

"The expiration, cancellation, forfeiture, or suspension of a license by operation of law or by order or decision of the board or a court of law, or the voluntary surrender of a license by a licensee shall not deprive the board of jurisdiction to proceed with any investigation of or action or disciplinary proceeding against the licensee, or to render a decision suspending or revoking the license."

6. Section 490 of the Code provides, in part, that a board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the license was issued.

7. Section 5107 of the Code provides, in pertinent part, that the Board's Executive Officer may request the administrative law judge, as part of the proposed decision in a disciplinary proceeding, to direct a respondent found to have committed specified acts of

unprofessional conduct to pay to the Board all reasonable costs of investigation and prosecution of the case, including, but not limited to, attorney's fees.

8. Under California Code of Regulations, Title 16, Section 99 (Board Rule), a crime or act is substantially related to the qualifications, functions, or duties of a Certified Public Accountant if, to a substantial degree, it evidences present or potential unfitness to perform the functions authorized by the licensee's certificate or permit in a manner consistent with the public health, safety, or welfare.

#### **FIRST CAUSE FOR DISCIPLINE**

(Conviction of a Crime)

9. Respondent is subject to disciplinary action pursuant to Code sections 5100(a) and 490 and Board Rule 99 in that Respondent was convicted of a crime as follows:

a. On July 2, 2003, Respondent was convicted on a plea of guilty, of one count of violating section 666 of the Penal Code (petty theft with a prior - a misdemeanor) in the Municipal Court, County of Los Angeles, Glendale Judicial District, case no. 3GL02664, entitled *People v. Richard Ralph Pejasa*.

b. The circumstances surrounding the conviction are that on or about June 1, 2002, Respondent, who did unlawfully steal, take, and carry away personal property of Nordstroms.

#### **SECOND CAUSE FOR DISCIPLINE**

(Theft of Property)

10. Respondent is subject to disciplinary action pursuant to section 5100(k) of the Code in that Respondent committed an act of theft involving dishonesty or deceit with the intent to substantially benefit himself or another, or substantially injure another, by reason of his conduct, as more specifically set forth in paragraph 9 above.

#### **AGGRAVATING CIRCUMSTANCES**

11. To determine the degree of discipline, if any, to be imposed on Respondent, Complainant further alleges by way of aggravation that Respondent was previously convicted on March 27, 1997, of one count of violating section 484(a) of the Penal Code (petty

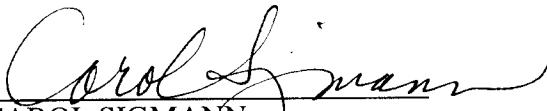
1 theft - a misdemeanor) in the Municipal Court, County of Los Angeles, Glendale Judicial  
2 District, case no. 7GL00600, entitled *People v Richard Ralph Pejsa*.

3 PRAYER

4 WHEREFORE, Complainant requests that a hearing be held on the matters herein  
5 alleged, and that following the hearing, the California Board of Accountancy issue a decision:

- 6 1. Revoking, suspending, or otherwise imposing discipline upon Certified  
7 Public Accountant Certificate Number CPA 18795, issued to Richard Ralph Pejsa;  
8 2. Ordering Richard Ralph Pejsa to pay the California Board of Accountancy  
9 the reasonable costs of the investigation and enforcement of this case, pursuant to Business and  
10 Professions Code section 5107;  
11 3. Taking such other and further action as deemed necessary and proper.

12 DATED: April 6, 2004

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16 CAROL SIGMANN  
17 Executive Officer  
18 California Board of Accountancy  
19 Department of Consumer Affairs  
20 State of California  
21 Complainant  
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**BEFORE THE  
CALIFORNIA BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

RICHARD RALPH PEJSA  
5305 Linda Vista Drive  
La Canada, CA 91011

Certified Public Accountant  
Certificate No. CPA 18795

Respondent.

Case No. AC-2004-14

OAH No. L-2004050077

**DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Board of Accountancy, as its Decision in this matter.

This Decision shall become effective on October 14, 2004.

It is so ORDERED September 14, 2004.

  
\_\_\_\_\_  
FOR THE CALIFORNIA BOARD OF ACCOUNTANCY